

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2004-359-C - ORDER NO. 2005-188
APRIL 20, 2005

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| IN RE: Joint Petition of SBC Telecom, Inc. and |) | ORDER |
| Southwestern Bell Communications, Inc. |) | GRANTING |
| DBA SBC Long Distance for Consent and |) | JOINT |
| Approval of Assignment of Certificate of |) | PETITION |
| Public Convenience and Necessity. |) | |

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Joint Petition for consent to and approval of the assignment of SBC Telecom, Inc.'s (SBCT's) Certificate of Public Convenience and Necessity to provide local exchange and interexchange services from SBCT to Southwestern Bell Communications Services, Inc. dba SBC Long Distance, Inc. (SBCLD) (together, the Joint Petitioners) as part of a corporate reorganization. Additionally, SBCLD requests approval to convert to a limited liability company to be known as SBC Long Distance, LLC d/b/a SBC Long Distance. The Joint Petition also requests, among other things, that the Commission consent to and approve the assignment to SBCLD of SBCT's interconnection agreement with BellSouth Telecommunications, Inc. and consent and approval by the Commission of the transfer to and adoption by SBCLD of SBCT's current filed Tariffs. The Petition also requests that the Commission require the submission to the Commission of a revised SBCLD tariff reflecting SBCLD's name change.

The Commission's Docketing Department required the Joint Petitioners to publish a Notice of Filing one time in newspapers of general circulation in the Joint Petitioners' service area. No Protests or Petitions to Intervene were received.

Accordingly, the Joint Petitioners filed a Motion for Expedited Review, along with verified testimony supporting their petition. Since there was no intervention in this matter, we grant the Motion for Expedited Review and will proceed to rule on the Joint Petition on the basis of the verified testimony. The Office of Regulatory Staff (ORS) has filed a letter stating that it does not object to the approval of the Joint Petition on an expedited basis. Based on the testimony filed, we believe that the Joint Petition should be granted.

The Joint Petitioners filed the verified testimony of Norman W. Descoteaux, Associate Director-Regulatory for SBC Long Distance, Inc. Mr. Descoteaux noted that both SBCT and SBCLD are certificated to provide telecommunications services in the State of South Carolina. Pursuant to a plan of internal reorganization: (a) SBCT will become a wholly owned subsidiary of SBC Telecom, Inc., SBC Long Distance, Inc. will convert to a limited liability company to be known as SBC Long Distance, LLC, and SBC Telecom, Inc. will transfer its assets and liabilities to SBC Long Distance, LLC. Following the proposed internal corporate reorganization, SBC Long Distance, LLC will remain a wholly owned subsidiary of SBC, which will control SBC Long Distance, LLC through two intermediary, wholly owned subsidiaries, i.e. SBC Teleholdings, Inc. (wholly owned by SBC) and SBC Telecom, Inc.(wholly owned by SBC Teleholdings,

Inc.) The direct parent of SBC Long Distance, LLC following the reorganization will be SBC Telecom, Inc.

According to Mr. Descoteaux, the SBC companies believe that approval of the above-described internal corporate reorganization will serve the public interest because it will permit a more efficient means of providing telecommunications service to customers in South Carolina. The proposed internal corporate reorganization will not alter the service which customers receive, or result in any rate increase, according to the witness. He also states that SBC Long Distance, Inc. understands that it is bound to follow all rules and regulations of the Commission, and accepts as its own all requirements imposed upon SBC Telecom, Inc. as a result of its original Certificate of Public Convenience and Necessity.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. SBCLD filed a Joint Petition with the Commission for consent to and approval of the assignment of SBCT's Certificate of Public Convenience and Necessity to provide local exchange and interexchange services from SBCT to SBCLD as part of a corporate reorganization, whereby direct ownership of SBCLD will transfer from SBC Communications, Inc (SBC) to SBCT, all SBCT assets will be transferred to SBCLD, and SBCT will cease operations.

2. Both SBCT and SBCLD hold Certificates of Public Convenience and Necessity granted by this Commission.

3. The Joint Petitioners also request ancillary relief, such as approval of a partial name change, assignment of an interconnection agreement, and consent and

approval by the Commission of the transfer to and adoption by SBCLD of SBCT's current filed tariffs, plus requirement of a submission to the Commission of a revised SBCLD tariff reflecting SBCLD's name change.

4. The Joint Petition should be granted as filed in full, based on the verified testimony provided. No alteration in service or rate increase to the customers will result. Also a more efficient provision of telecommunications services will result.

ORDER

The Joint Petition is granted as filed. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

/s/
Randy Mitchell, Chairman

ATTEST:

/s/
G. O'Neal Hamilton, Vice-Chairman

(SEAL)